



# **MARICOPA COUNTY**

Group Short Term Disability Benefits

2002

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# Plan Description

## Who is Eligible for Short Term Disability (STD) Coverage

All regular status employees who meet benefit eligibility criteria as defined by Maricopa County and are *normally* scheduled to work at least 40 hours per pay period.

## Enrollment Waiting Period

If you are eligible for coverage as previously outlined on this page and in the “Know Your Benefits” brochure, you must complete and submit your enrollment on a Maricopa enrollment form agreeing to make the required premium payments. You have 60 days following your hire date during which you can elect or decline disability coverage on your enrollment form.

Coverage begins for new hires on the first day of the pay period following 14 days after you complete and submit your enrollment form to the Benefits Division.

Coverage for eligible employees enrolling during open enrollment will become effective the scheduled effective date of the new plan year which is usually January 1 following the open enrollment election period.

## Exception to When Coverage Becomes Effective

If you are not actively at work on the date you would otherwise start, your coverage will become effective when you return to active duty. If your effective date falls on a weekend, holiday or any day that is not a scheduled work day, you will be covered if:

You were actively at work on your last scheduled workday, and

You were able to perform all your job duties, had the effective date been a regularly scheduled workday.

If you do not elect STD coverage within 60 days after your hire date or the date you otherwise become eligible for coverage, you will not be able to elect coverage until the next open enrollment.

## Pre-existing Condition Limitation for STD

If you have a disability for which you received treatment (Including diagnostic services and prescription drugs) within 90 days before your coverage became effective, no benefits will be payable for that condition until you have been treatment-free for three months or covered by the plan for twelve months.

## Benefit Waiting Period

14 consecutive days.

## Benefits or Coverage Amount

The benefit percentage is elected at the time you enroll for Short Term Disability coverage. You may select one of the following Benefit levels:

40% of Basic Weekly Earnings to a maximum **benefit** of \$1,000.00 weekly.

(Closed to new members effective 1/1/2000)

50% of Basic Weekly Earnings to a maximum **benefit** of \$1,000.00 weekly.

60% of Basic Weekly Earnings to a maximum **benefit** of \$1,000.00 weekly.

70% of Basic Weekly Earnings to a maximum **benefit** of \$1,000.00 weekly.

You may increase your coverage only during a regularly scheduled open enrollment. All changes that result in an increase in benefits are subject to the pre-existing condition language on the contract (see page 3). **Example:** If you previously had elected a 50% benefit and, during an open enrollment period, changed that election to a 70% benefit, the difference between the 50% and the 70% benefit is subject to pre-existing criteria.

You may decrease your level of coverage or cancel coverage at any time.

## Definition of Basic Earnings

“Basic Weekly Earnings” means the amount of regular weekly salary or wages paid by your employer. This does not include commissions, bonuses, overtime, incentive pay, shift differential pay, any other extra compensation or any cash in lieu of benefits.

## Maximum Benefit Period

Benefits shall continue up to a maximum of 26 weeks (including the elimination or benefit waiting period and any partial disability payment periods or intermittent periods of work where you do not return to work for more than 2 consecutive weeks at 100% of the jobs regular hours. For example, if you return to work for 10 or less consecutive or intermittent days those days count toward the maximum 26 week benefit period. Likewise, if you come back to work on a part-time basis and receive the return to work incentive benefit, those days count toward the maximum single benefit period of 26 weeks).

## Contributions

The cost (called “premium”) of this coverage is paid entirely by you through payroll deductions. The total cost of your coverage under this Plan depends on the weekly benefit level you choose. Please refer to the “Know Your Benefits” brochure document to review the current rates.

## What if you go on an Unpaid Leave Of Absence?

You must continue to pay your portion of the insurance premium in order to continue coverage. Non-payment of premium will result in coverage cancellation effective the last day of the pay period in which premium was paid. It is your responsibility to contact Employee Benefits to make premium arrangements.

## When does a disability benefit become payable?

The Claim Administrator approves payment of a weekly benefit after the end of the elimination period or benefit waiting period and only when you and your doctor provide proof that you:

1. Are disabled due to illness or injury, and
2. Are under appropriate treatment and care of a physician.

## What conditions must be met for benefit payments to continue?

You will be paid a weekly benefit as long as you remain disabled and are under the appropriate treatment and care of a physician. You will not be paid longer than the maximum benefit period shown in the Plan description section of this booklet.

The Claims Administrator may require that you be examined, at the plan's expense, by an independent physician/specialist. If you fail to comply with such a request, the result may be an interruption in or suspension of benefits. Benefits may also be suspended if the results of the independent examination determine that you are not disabled under the definition of the Plan.

You must file a claim with the Claims Administrator in order to be considered for benefits. You will also be required to give the Claims Administrator periodic proof that your disability continues. Such proof will be provided at your own expense.

## How is the benefit figured?

To figure the amount of your weekly benefit, take the percentage (%) of your Basic Weekly Earnings you selected and deduct any 'Other Income Benefits' you are receiving that offset your benefit from this Plan. Benefits payable for less than one weekly period will be paid to you at the rate of 1/7th of the short term disability benefit amount for each day of total disability.

## What is the Return to Work Incentive?

We understand that a disability can cause you and your family financial hardship. We want to help you reduce that hardship by providing you with an incentive to return to work as soon as you are able.

You may not be able to return full-time, however, we encourage you to return part-time and will continue to support your recovery by continuing to pay your benefit within certain limits in addition to your part-time earnings.

Here's how it works:

If you are earning more than 30% of your pre-disability earnings (you can earn up to 30% and not have your benefit affected at all) in your regular occupation or another occupation, then the weekly benefit will be figured as follows:

The weekly benefit will be limited to 100% of your pre-disability gross earnings when you add your part-time earnings to your weekly benefit. If your weekly benefit and your earnings would exceed 100% of your pre-disability earnings then your benefit will be reduced so that the total amount equals 100% of your pre-disability wage.

The return to work incentive will begin with the first day you perform part-time work earning beyond 30% of your pre-disability income. It will continue for a period of up to 13 weeks elapsed time, or until you stop working part-time and are totally disabled (your full disability benefit will continue in that

case), or when you are no longer disabled, whichever occurs first. Once you begin to receive the return to work incentive benefit the 13 week period will continue to count down until 13 weeks of elapsed time has occurred. Intermittent periods of total disability or partial disability under the return to work incentive will count toward the total 13 week return to work incentive benefit period, even if you do not receive the full 13 week incentive benefit during that 13 week elapsed time. After receiving up to 100% of your pre-disability income for up to 13 weeks, your benefits will either:

1. revert to zero because you have returned to full employment, or
2. revert to the standard total disability benefit based on your pre-disability election.

**Example:** An employee who normally works a 40 hour week is on Short Term Disability. The doctor releases the employee to return to work part time, not to exceed 10 hours per week. Because the employee's earnings are less than 30% of his/ her full time group wage, the employee gets to keep the entire Short Term Disability Benefit plus any wages he/she earns.

Normal Full time gross Wage (80 hours)	Benefit Level	Bi-Weekly Short Term Disability Benefit (tax free)	Gross Wage for 20 hours of work	Earnings less than 30% of the full time gross wage may keep 100% of Short Term Disability benefit	Final Bi-Weekly Gross Wage
\$900	70%	\$630	\$225	\$630	\$855.00
\$900	60%	\$540	\$225	\$540	\$765.00
\$900	50%	\$450	\$225	\$450	\$675.00
\$900	40%	\$360	\$225	\$225	\$450.00

**Example:** This same employee continues to improve and the doctor clears him/her to work 30 hours per week. Because the benefit cannot exceed 100% of the pre-disability wage, the disability benefit will be reduced.

Normal Full time gross Wage (80 hours)	Benefit Level	Bi-Weekly Short Term Disability Benefit (tax free)	Gross Wage for 30 hours of work	The difference between the normal full time gross wage and the part-time wage is the new Short Term Disability Benefit.	Final Bi-Weekly Gross Wage
\$900	70%	\$630	\$675	\$225	\$900
\$900	60%	\$540	\$675	\$225	\$900
\$900	50%	\$450	\$675	\$225	\$900
\$900	40%	\$360	\$675	\$225	\$900

## What are “Other Income Benefits”?

1. Applicable amounts provided under any Workers’ Compensation law (including pay continuation program)
    - a. Transitional Duty
    - b. Supplemental Pay Program (workers’ compensation coordination)
  2. Any amount you are entitled to, under any group insurance plan of your employer, that provides disability income benefits,
  - 3 Any benefits you are entitled to receive under the No Fault Insurance award or through Third Party Subrogation beginning for disabilities commencing on or after January 1, 1996.
  4. Any benefits you or your dependents are eligible to receive because of your disability or age under the United States Social Security Act or similar plan or act. If benefits from these programs are denied for any reason (except your non-insured status), you will be required to appeal the denial to the full extent permitted. You will continue to be considered eligible to receive these benefits until all appeal processes are exhausted.
  - 5 Any benefits you are eligible to receive under any plan or provision providing periodic payments for disability, or providing benefits for loss of time or income, to which your employer, union, trade, or professional organization directly or indirectly sponsored or contributed;
  - 6 Any benefit payable under any state compulsory benefit act or law
  - 7 Any benefits available from any Salary Continuation Plan, including but not limited to workers’ compensation income protection, sick leave, or donated leave.
- Note: If you notify your Disability Manager when you file your initial Short Term Disability claim you can elect the following options regarding your PTO/vacation accruals
    - May choose to leave your PTO/vacation time banks intact
    - May use some or all of your PTO/vacation time banks, which coupled with your disability benefit may not exceed 100% of your pre-disability gross earnings.

**IMPORTANT NOTE:** If you do not serve notice (when you initially file your claim) to your disability manager, your PTO/vacation time banks will be treated as an offset to your Short Term Disability benefit and may have the effect of delaying or reducing your STD benefit.

## What if I receive a lump sum payment from these other income sources?

The Claim Administrator will prorate lump sum income benefits on a weekly basis over the time period for which the sum is given. If no time period is given, the lump sum amount will be prorated over your expected lifetime, as determined by the Claims Administrator.

## When do these benefits stop?

Benefits will stop on the earliest of:

1. The date you are determined to be no longer disabled,
2. The date your current earnings exceed 80% of your pre-disability earnings; or
3. The end of the plan's maximum benefit period including any partial benefit payment periods; or
4. The date of your death.
5. However, if you are disabled on or before the date your coverage terminates and would otherwise be entitled to benefits for that disability, benefits will be payable as though coverage had not terminated. Benefits under this extension will be payable only if the disability continues without interruption.

## What happens if I return to work and become disabled again?

If you are disabled, return to work, and become disabled again due to the same or related cause, the second disability will be considered a continuation of the first period of disability, as long as you had returned to work for less than 14 consecutive calendar days.

If your second disability is unrelated to the first, or if you have returned to work for more than 14 consecutive calendar days, the second period of disability will be considered a separate claim and a new elimination period must be satisfied before benefits will become payable.



## General Exclusions

### What Disabilities aren't covered?

This plan will not provide any disability benefits if:

1. You are not under the direct care of a licensed physician or received medical treatment as defined below;
2. You participate in a felony or become disabled as a result of such participation;
3. You are confined in any penal or correctional institution as a result of a conviction for a criminal or other public offense;
4. Your disability is the result of a war or act of war, unless you are a United States expatriate or on temporary assignment in a war area on employer business, or while you are in the military service of any country which is at war;
5. Your injuries are sustained while you are on a personal leave of absence without pay, excluding jury duty and vacations (see also "Active employment" in Terms You Should Know, above; beginning January 1, 1996).
6. You have a vague or undefined condition (such as "tiredness" or "pain"), for which your doctor cannot provide a medical diagnosis;
7. You have cosmetic surgery, except surgery made necessary by accidental injury incurred while covered under the Plan;
8. You have an injury, sickness, or pregnancy for which you receive medical treatment within the three months before the date of your coverage under the Short Term Disability Program. This exception does not apply to disability commencing after a Plan participant has been covered under the Plan for a period of twelve continuous months.

"Received medical treatment," means that you have consulted with or received the advice of a licensed medical or dental practitioner, including advice given during a routine examination. It also includes situations in which you have received medical or dental care, treatment or services including taking drugs, medication, insulin or similar substances.

## Termination

When does coverage terminate? You will cease to be covered on the earliest of the following dates:

1. The date your employer discontinues the Plan,
2. The date your employment with the company ends,
3. The date you retire under any normal retirement plan or your employer's retirement plan,
4. The date you cease to be an eligible employee,
5. The date of your death,
6. The last day of the coverage period for which premium was paid unless it was determined that you were eligible to receive benefits under this plan during that period (please see number 7 below).
7. If you are disabled on or before the date your coverage terminates and would otherwise be entitled to benefits for that disability, benefits will be payable as though coverage had not terminated. Benefits under this extension will be payable only if the disability continues without interruption.

## **Some General Information to Know**

### **When must you submit a claim?**

You must give the Claims Administrator proof of claim no later than 14 days after your disability starts if you would like to receive benefits with as little break in pay as possible. The first proof of loss must be submitted no more than 1 year after the date of disability. Claims submitted beyond that date may not be accepted.

You must give the Claims Administrator proof of continued disability and regular treatment by a physician within two weeks of the date the claims administrator requests such proof.

### **When are claims paid?**

When the Claims Administrator receives satisfactory proof of claim and your claim for disability benefits is approved, benefits payable under the Plan will be paid weekly during any period that you remain disabled under the terms of the Plan.

### **What constitutes proof of claim?**

In order for a claim to be processed, the Claim Administrator must receive your application for benefits, as well as sufficient medical evidence in support of your claim. Such evidence may consist of records from your doctor, narrative reports, x-rays and any other medical records, as well as evidence that you continue to be under the appropriate care and treatment of a physician. In the absence of such proof, the Claims Administrator may elect to suspend benefits until such proof is received.

Your disability must be supported by current medical evidence. You must be under the continuous care of a qualified physician, with a course of treatment that is appropriate for your condition.

If your doctor cannot substantiate your disability by objective findings, you may be required to see a doctor selected by the Claims Administrator for an independent evaluation. Failure to cooperate with such requests may result in an interruption in benefits.

### **Who receives benefit payments?**

The Claims Administrator will advise you of their decision within 60 days of receipt of your claim for disability benefits. In the event your claim is denied, you will receive a written notice from the claims administrator which must include:

1. The specific reason or reasons for the denial, with reference to those plan provisions on which the denial is based;
2. A description of any additional material or information necessary to complete the claim and an explanation of why that material or information is necessary; and
3. An explanation of the steps to be taken if you or your beneficiary wish to have the decision reviewed.

PLEASE NOTE: That if the Claims Administrator does not respond to your claim within the time limits set forth above, you should automatically assume that your claim has been denied and you should begin the appeal process at that time.

## How to appeal a claim determination?

You, the claimant, or your authorized representative may appeal a denied claim within 60 days after you receive the claims administrator's notice of denial. You have the right to:

1. Submit a written request for review to the Claims Administrator at the following address;

UNUM PROVIDENT Corporation  
655 North Central Avenue, Suite 800  
Glendale, CA 91203

2. Review pertinent documents; and
3. Submit issues and comments, in writing, to the Claim and/or Plan Administrator.

The Claim Administrator will make a full and fair review of the claim and may require additional documents, as it deems necessary or desirable in making such a review. A final decision on the review shall be made no later than 60 days following the Claim Administrator's receipt of your written request for review. If special circumstances require an extension of time for processing, you will be notified of the reasons for the extension, and a decision shall be made no later than 120 days following receipt of your request for review.

The final decision on review shall be furnished in writing and shall include the reasons for the decision with reference, again, to those Plan provisions upon which the final decision is based.

## Terms You Should Know

Many terms used in this booklet have special meanings. A list of these terms and their meanings follows:

- “Active Employment” means you must be currently working:
  - ◆ For your employer on a 50% full time basis, regular status and paid regular earnings,
  - ◆ At least the minimum number of hours shown under the eligibility section in the “ Know Your Benefits” Summary Document; and either
  - ◆ At your employer’s usual place of business, or a location to which your employer’s business requires you to travel.
- “Basic Weekly Earnings” means the amount of regular weekly salary or wages paid by your employer. This does not include commissions, bonuses, overtime, performance incentive pay, shift differential pay, any other extra compensation or any cash in lieu of benefits.
- “Disability” and “Disabled” means that because of illness or injury you cannot perform each of the material duties of your regular occupation.

Furthermore, you are not considered disabled or under a disability unless you are under the regular care and treatment of a licensed physician, who is practicing within the scope of his/her license during the entire period of disability.

- “Partial Disability” and “Partially Disabled” mean that because of illness or injury you are unable to perform all the material duties of your regular occupation on a full-time basis, and you are:
  1. performing at least one of the material duties of your regular occupation or another occupation on a part-time or full-time basis; and
  2. earning currently at least 30% less per month than your pre-disability earnings due to that same illness or injury.
- “Regular Occupation” means the occupation and job tasks as defined under the essential job functions section of your Maricopa County personnel job requisition in place at the time your disability begins.
- “Disability Benefits” means money that is paid as a weekly benefit when your claim has been approved.
- “Elimination Period” means a period of consecutive days of disability for which no Short Term Disability benefit is payable. The elimination period is shown in the plan description and begins on the first day of disability.
- “Employer” means Maricopa County and includes any division, subsidiary, or affiliated company named in the Plan.

- “Gross Weekly Benefit” means the disability benefit amount before any reduction for other income benefits and earnings.
- “Illness” means sickness, disease, or other medical conditions including pregnancy. The disability resulting from the illness must begin while you are covered under the plan.
- “Complications of Pregnancy” means that part of the pregnancy during which abnormal conditions or concurrent disease significantly affect the pregnancy’s usual medical management.
- A complication may exist:
  - during the pregnancy
  - during the delivery
  - after the delivery

*But* complications of pregnancy do not include an elective cesarean section.

- “Injury” means bodily injury resulting directly from an accident and independently of all other causes. The disability resulting from the injury must begin while you are covered under the Plan.
- “Medical Treatment,” means that you have consulted with or received the advice of a licensed medical or dental practitioner, including advice given during a routine examination. It also includes situations in which you have received medical or dental care, treatment, or services including taking drugs, medication, insulin, or similar substances.
- “Net Weekly Benefit” means the disability benefit amount after any reduction for other income benefits and earnings.
- “Physician” means a person (other than you, your spouse, child, brother, sister or parent, or parent of your spouse) who is:
  - Operating within the scope of his/her license; and either
  - Licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
  - Legally qualified as a medical practitioner and required to be recognized, under the policy for insurance purposes, according to the insurance statutes or the insurance regulations of the governing jurisdiction.
- “You” and “Your” means you, the employee.

## **Plan Information**

### **Name of the Plan:**

Maricopa County Short Term Disability Plan  
Group Number 10491

### **Name and Address of Employer:**

Maricopa County  
301 West Jefferson Avenue  
Phoenix, Arizona 85003-2145

### **Who pays for the plan?**

The cost of this plan is paid entirely by participating employees

### **Plan Sponsor/Plan Administrator:**

Maricopa County Human Resources/ Employee Benefits  
Suite 201  
301 West Jefferson Avenue  
Phoenix, AZ 85003-2145

### **Agent for Service of Legal Process:**

Plan Administrator as stated above.

### **Claims Administrator:**

UNUM Provident Corporation  
655 North Central Avenue, Suite 800  
Glendale, CA 91203  
1-877-851-7637

### **Claims Coordination at Maricopa County**

Contact the Disability Management Intake Coordinator:

Maricopa County Human Resources Department  
Suite #160  
Phoenix, AZ 85003  
Phone: (602) 506-6182  
Fax: (602) 506-8974